

From: [Morning Energy](#)
To: [Gray, David](#)
Subject: POLITICO's Morning Energy, presented by the Nuclear Energy Institute: Long time, no FERC — EPW nomination hearing shelved for now — Upton leaning toward Michigan Senate bid
Date: Wednesday, September 20, 2017 9:06:08 AM

By Anthony Adragna | 09/20/2017 10:00 AM EDT

With help from Darius Dixon, Eric Wolff and Alex Guillén

BACK TO FERC: At long last, after six months without a quorum, FERC is holding its first monthly meeting since January. Absence makes the heart grow fonder, so expect particularly long security lines. FERC bumped this month's meeting up a day in order to accommodate Rosh Hashanah, which begins tonight, but the commission will return to its normal every-third-Thursday lineup next month.

So, what's actually on today's agenda? Not a ton. The [agenda](#) is of average length: 23 electric items, including tariff changes, rehearing orders and three reliability standard rulemakings. Given the destruction left in the wake of Hurricanes Harvey and Irma, the standard on emergency preparedness and operations got our attention: NERC has asked FERC to approve a rule submitted in March that seeks to clarify what kind of damage and threats to electric facilities are reported, and when. FERC is also poised to act on a request to revise the terms of the SunZia Southwest transmission project, whose owners are aiming to transmit at least 1,500 megawatts of New Mexican wind power capacity farther west.

Where's the meat? While working at less than 110 percent after such a long period might seem a little slow to ME, if the agency wants to chip away at its backlog, a half-dozen industry types and energy lawyers that regularly deal with FERC said to be patient, considering how much there is for four new commissioners and new staff to take in. (FERC chairman nominee Kevin McIntyre and Democratic commissioner pick Rich Glick sailed through the Senate energy committee Tuesday but their approval by the full Senate is still up in the air.)

The agency has churned out more than 65 "notational" orders since Chairman Neil Chatterjee and Commissioner Rob Powelson were sworn in last month, including its approval of the NEXUS natural gas pipeline project, three settlements, and the move to rescue Millennium's Valley Lateral project. On Thursday, Chatterjee told reporters FERC has a "great strategy in place in working through these orders" and defended the agency's pace so far. The truly meaty issues of market compensation for power plants and how FERC wants to address the impacts of large state energy programs, like those in New York and Illinois, are likely to sit tight until all leadership table seats are filled.

Let there be protesters: Although the anti-FERC crowd didn't show up at Senate Energy and Natural Resources to disrupt Tuesday's vote on the remaining agency nominees, protesters seem like they want to make up for it today. Protesters sent out a notice on Tuesday saying they will "greet" FERC commissioners outside the headquarters starting at 8:30 a.m. and "will then take their concerns into FERC's open public meeting." The party starts at 10 a.m. at FERC headquarters, 888 First St., NE, and will be webcast [here](#).

WELCOME TO WEDNESDAY! I'm your host Anthony Adragna, and Bracewell's Frank Maisano identified Justice Earl Warren as the one-time Emmy host. For today: What future president once made an appearance on *Laugh-In* as part of a push to rehabilitate his image?

Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](https://twitter.com/AnthonyAdragna), [@Morning_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

EPW NOMINATION HEARING POSTPONED: After the Senate opted to adjourn earlier than expected in recognition of Rosh Hashanah, the Environment and Public Works Committee delayed a planned hearing for EPA and Nuclear Regulatory Commission nominees slated for today, Pro's Alex Guillén [reports](#). The panel declined to say when the session would be rescheduled, though William Wehrum's nomination to run the air office and Michael Dourson's selection to run its chemical efforts are still expected to be most controversial.

Speaking of which, four environmental groups - Earthjustice, the League of Conservation Voters, NRDC and Sierra Club - sent [a letter](#) to senators opposing the Wehrum nomination. "While he served in senior leadership positions with the EPA air program, courts held the agency in violation of the federal Clean Air Act 30 times," they wrote. "In private practice with corporate law firms, Mr. Wehrum has represented industrial interests in nearly 35 lawsuits that sought to weaken or void EPA clean air and public health safeguards. Americans deserve better for the nation's chief clean air official."

MACRON: WE WON'T RENEGOTIATE PARIS DEAL: While he said he "profoundly respects" Trump's decision to leave the Paris climate agreement, French President Emmanuel Macron told the U.N. General Assembly that the accord would not be renegotiated and "we won't go back." He added that "the door will always be open" for Trump to discuss the issue and added the agreement could be strengthened with new commitments from other countries.

ICYMI: Trump used his U.N. General Assembly to stress the U.S. was open to further actions to cripple Venezuelan President Nicolas Maduro's regime, hinting at possible further sanctions. "We are prepared to take further action if the government of Venezuela persists on its path to impose authoritarian rule on the Venezuelan people," the president said. "I ask every country represented here today to be prepared to do more."

BABY STEPS FOR CLIMATE HAWKS: Sens. [Lindsey Graham](#) and [Sheldon Whitehouse](#) are working together on a carbon tax bill, the South Carolina Republican told a conference in Connecticut on Tuesday, according to [Time](#). "I believe that the greenhouse effect is real, that CO2 emissions generated by man is creating our greenhouse gas effect that traps heat, and the planet is warming," said Graham. "A price on carbon-that's the way to go in my view." He pledged to discuss the idea with the White House. Whitehouse, in response, [tweeted](#): "Lots of work to do, but this is a good step."

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NORTHAM DODGES ON PIPELINE STANCE: Asked twice during Virginia's gubernatorial debate whether he backed the Atlantic Coast pipeline, Lt. Gov. Ralph Northam wouldn't clearly answer. Upon pressing from NBC's Chuck Todd, the best he could offer was "I have been as clear as I can" that if done with adequate environmental safeguards "then I do support them."

UPTON LEANING TOWARD SENATE BID: Republican Rep. [Fred Upton](#), former Energy and Commerce Committee Chairman, is reportedly 90 percent sure he'll give up his powerful

House perch to launch a challenge to incumbent Democratic Sen. [Debbie Stabenow](#), WHTC [reports](#). The Michigan outlet reports the congressman's family has given their blessing to a Senate run, though it says a decision will wait until late fall at the earliest. "He continues to explore all of his options and is busy with a packed schedule back here and in D.C.," Tom Wilbur, his communications director, said in a statement.

GRIJALVA ARRESTED AT TRUMP TOWER: House Natural Resources Committee ranking member [Raul Grijalva](#) was among a group of Democratic congressmen arrested outside Trump Tower on Tuesday during decision to halt DACA, POLITICO's Louis Nelson [reports](#). Joining Grijalva in what they called "civil disobedience" were Rep. [Luis Gutierrez](#), [Adriano Espaillat](#) and Speaker of the New York City Council Melissa Mark Viverito.

DEMOCRAT RAISES CONCERNS OVER ACCURACY OF ZINKE'S REPORT: A BLM official said Tuesday the agency did not fact check Interior Secretary Ryan Zinke's report on national monuments before it went to the White House for review. Sen. [Martin Heinrich](#) originally raised questions about "more than a few simple factual errors included" in Zinke's analysis. John Ruhs, BLM's acting deputy director of operations, then said his agency was "not part of the writing of the reports" but "did answer questions and provide data as necessary." Video of the exchange during an Energy and Natural Resources Committee hearing, flagged by the Center for Western Priorities, is available [here](#).

Interesting call: Interior employees now have the opportunity arcade game "Big Buck Hunter Pro" in their cafeteria after Zinke announced its installation Tuesday and the "Secretary's Shotgun Showdown" to emphasize hunting and fishing at the agency. The winner gets bragging rights and a "Beverage on the Balcony" with Zinke (perhaps a [Moose Drool Brown Ale](#)). The Natural Resources Democrats shot back [on Twitter](#): "This is a crucial time for our national monuments & [@SecretaryZinke](#) is tweeting about playing an arcade game."

MAIL CALL! CONCERNS RAISED OVER SUPERFUND OVERSEER: Rep. [Frank Pallone](#), top Democrat on the Energy and Commerce Committee, sent [a letter](#) to Pruitt raising concerns over the appointment of his senior adviser Albert Kelly to run the Superfund management task force given he settled with Federal Deposit Insurance Corporation this summer. "Despite this, Mr. Kelly has been selected as and remains in a senior role at the EPA and is tasked with protecting the solvency and continued effectiveness of the Superfund program and the Superfund Trust Fund," Pallone wrote. "These funds should not be entrusted to someone who has been barred from working for every financial institution from credit unions to Wall Street banks."

And questions of disaster readiness too: Seven members of the House Sustainable Energy & Environment Coalition sent [a letter](#) to Pruitt requesting information on how the agency is preparing toxic sites for extreme weather events, especially given calls for steep cuts to the EPA's budget. "We are concerned that efforts to reduce the Agency's staff and budget, along with plans to cut or eliminate climate mitigation and adaptation programs, will leave the Agency ill equipped to protect communities from the environmental hazards associated with extreme weather," they write.

TAX REFORM: SOLAR INDUSTRY FEELS DEPRECIATED: The solar industry's top priority in the tax reform discussion is to protect the investment tax credit, the benefit that lets developers take a credit worth 30 percent of the value of their solar array until the credit expires in 2022, Abigail Ross Hopper, CEO of the Solar Energy Industries Association, tells ME. But the Big Six tax writers want to the tax code to reflect "unprecedented capital

expensing," meaning they want to accelerate how fast businesses can deduct the cost of assets.

But solar doesn't really want that, Ross Hopper said. It wants assets to depreciate at the current schedule so they can take the full ITC while it's still in existence. "We like the way it's set up now," Hopper told ME. "What we have been advocating for on the Hill is to be able to use current depreciation schedule with ITC rather than accelerated depreciation."

LATEST TWIST IN SOLAR TRADE CASE: Days before a crucial vote in the case, Solar Energy Industries Association sent [a letter](#) to the International Trade Commission saying the petitioners in the case - Suniva and SolarWorld - haven't submitted a plan for how they would benefit if tariffs were placed on solar imports. The group says the failure to submit a plan "evidences both a lack of respect for the process contemplated by the statute and an apparent inability to devise a genuine plan for the industry's adjustment to import competition." The R Street Institute released [a short paper](#) arguing the administration "should avoid imposing tariffs or other import restrictions on solar products

LISA JACKSON HITS PRUITT'S EPA: Former EPA Administrator Lisa Jackson told [TechCrunch](#) Tuesday the agency she used to run "hasn't changed" but that Pruitt is running it unlike any administrator has previously. "Every EPA administrator has committed to regulate transparently," she said at a conference in San Francisco. "We don't have that commitment anymore. It's not the EPA, it's that the leadership has decided to move away from the transparency that assures people that their health and their community come first rather than somebody else's bottom line."

EPA WATCHDOG DINGS SUPERFUND WORKER DISTRIBUTION: EPA needs to do a better job of allocating funding and jobs to Superfund sites that need the most attention, according to a new [report](#) from the agency's inspector general. Although the inquiry began last year and covers Superfund sites nationwide, the report was released in the wake of criticisms of EPA's response to hurricane-related damage at sites in Texas and Florida. Investigators concluded that Superfund employees were not distributed according to current regional workloads, meaning some regions have had to slow their cleanup work amid a Superfund jobs shortage. Six of EPA's ten regions - including Region 6, which covers Houston - admitted their work has been slowed or delayed in recent years because of regional Superfund worker shortages. The IG recommended EPA consider a better way to prioritize Superfund sites nationally and distribute job funds accordingly, possibly like the system used by the Army Corps of Engineers for sites it cleans up. EPA said it would take action within a year.

PAST DUE: EPA's inspector general released a [report](#) Tuesday that the agency failed to follow through on a 2005 agreement with livestock groups to develop methodologies for estimating airborne emissions from farms, Pro Agriculture's Jenny Hopkinson [reports](#). The watchdog said the agency had no timeline for completing the work, though EPA said it will develop by the beginning of 2018 a plan for when and how it will complete the emissions estimating methodologies.

MOVER, SHAKER: Anna Burhop has joined Bracewell's Policy Resolution Group as a partner in its Washington office where she'll offer federal legislative and regulatory advice. She comes from the American Chemistry Council and before that worked on the Senate Environment and Public Works Committee under both Sens. [Jim Inhofe](#) and David Vitter.

QUICK HITS

- Fire breaks out at Valero's Port Arthur, Texas, refinery. [CNBC](#).
- National Guard chief: Climate change possibly causing 'bigger, larger, more violent' storms. [The Hill](#).
- Farming district says it won't pay for Delta tunnels in a vote that could kill the project. [Sacramento Bee](#).
- Icahn's oil refiner CVR starts unwinding biofuels bet. [Reuters](#).
- Some question decision to keep Texas nuclear plant open during Harvey. [Austin American-Statesman](#).
- What happens when the coal and nuclear plants close? [Houston Chronicle](#).
- Caribbean oil terminals make preparations ahead of Hurricane Maria. [Reuters](#).

THAT'S ALL FOR ME!

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